

**CHURCHILL
TOURISM AND TRANSPORTATION PLAN**

EXECUTIVE SUMMARY

Prepared by

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The consultants acknowledge with gratitude the assistance and co-operation received from the numerous government and private organizations and individuals during the preparation of this report.

The responsibility for the report as written and all conclusions and recommendations reached herein, is the consultants alone, and does not necessarily reflect the opinions of those who assisted during the course of this investigation and the Federal Government which funded the study. Nor does it necessarily reflect the opinions of the other Steering Committee members including representatives from Travel Manitoba, the Department of Regional Industrial Expansion (Tourism Canada), and the Manitoba Department of Highways and Transportation.

A TOURISM AND TRANSPORTATION DEVELOPMENT PLAN FOR CHURCHILL, MANITOBA

EXECUTIVE SUMMARY

1. INTRODUCTION

In August of 1985, Transport Canada in co-operation with Manitoba Department of Highways and Transportation contracted Marshall Macklin Monaghan Limited to undertake the Churchill Tourism and Transportation Study. The assignment was carried out with the assistance of Peat, Marwick and Partners.

The overall intent of the Tourism and Transportation Study was to identify and evaluate future transportation initiatives required to facilitate and assist the expansion of the tourism industry of Churchill, Manitoba.

The study was funded under the Canada-Manitoba Subsidiary Agreement for Churchill and was directed by a Steering Committee co-chaired by Transport Canada and Manitoba Department of Highways and Transportation, with representatives from Travel Manitoba and the federal Department of Regional Industrial Expansion (Tourism Canada).

2. STUDY OBJECTIVES

The overall objective of this study was to identify and review the interrelationships between the existing tourism industry and the transportation sector in Churchill in order to identify and evaluate future transportation initiatives which could facilitate and assist in the promotion of tourism in the Churchill area.

The specific objectives of the study were:

- o To assess the existing tourism markets in Churchill and the surrounding area;
- o To develop a realistic projection of future tourism market potential;



- o To identify tourism resource opportunities and constraints;
- o To assess the ability of the current transportation system to service existing and future tourism markets;
- o To identify new transportation initiatives which could be considered to overcome obstacles to realizing market potential;
- o To provide an analysis of the economic benefits and costs of new transportation initiatives in the context of other economic sectors and social benefits;
- o To detail a practical, implementable plan which identifies what action needs to be taken, by whom, when (priority) and at what cost.

3. EXISTING TOURISM INDUSTRY OVERVIEW

The Local Government District (L.G.D.) of Churchill covers an area of land roughly 130 km² in size. It is located on the eastern bank of the Churchill River and encompasses a portion of the Hudson Bay coastline. (A regional context map is provided on the following page.)

Churchill is located at the terminus of the Hudson Bay Railway, a secondary main C.N.R. line which connects it to the Town of The Pas (800 km) and then to the City of Winnipeg (809 km). The trading area population of the L.G.D. has been estimated to be 3 500. The Township of Churchill generally refers to what were once three separate communities; these being Churchill and Port Churchill which have been consolidated and a now vacant 40 home Inuit satellite development called Akudik which lies 3 km to the south.

Between 1961 and 1979, Churchill's population declined from almost 4 000 to a low of 1 600. This decline was caused by the closing of the military base in Churchill. By 1983, provincial records showed the population to be 1 304.



In addition to being a railroad terminus. Churchill is also western Canada's only northern deep-sea port terminal. The Port of Churchill is principally used for exporting grain. The Port itself has a storage capacity of 180 000 cubic metres, and has generally handled between 20-30 grain ships per season.

Tourism is one of the major industries in Churchill at the present time, and represents an important potential growth sector in the local economy.

Current data reveals that in 1984 a total of 17 500 passengers arrived in Churchill (on local airlines and VIA Rail). This total is estimated to include 3 600 resident trips and 13 900 visitor trips.

One of the most popular tourist activities in the Churchill area is wildlife viewing. The principal focus of wildlife viewing in recent years has undoubtedly been the polar bears. From a viewing perspective the beluga whales, and the great variety of ducks and geese are next in importance. The importance of the large number and variety of so-called lesser birds has been drawing numbers of dedicated bird watchers over the years as well. Once the mainstay of the local tourism industry, goose hunting and sport fishing are still an important and growing attraction.

The Churchill tourist brochure identifies a number of easily accessible points of interest for those interested in either the local vegetation and wildlife or just the scenery, including:

- o Churchill River
- o Goose Creek
- o Halfway Point
- o Farnworth Lake - Landing Lake
- o Esker - Knights Hill
- o Bird Cove
- o Camp Nanuk

Other important attractions to the Churchill area include both heritage resources and present day economic resources. The term heritage resources is used to define the relics of Churchill's past history, most notably the fur trade. The most significant historic resource attractions include:



- o Fort Prince of Wales National Historic Park
- o Fort Churchill
- o Cape Merry National History Site
- o Eskimo Museum
- o Button Bay
- o Sloop's Cove National Historic Site
- o A number of commemorative plaques and cairns.

Local facilities built for economic or scientific reasons also attract a considerable amount of interest because, like the rocket range, they are either unusual facilities or like the grain handling facilities, they are unique so far north. Some of the major attractions include:

- o Churchill Harbour
- o Rocket range
- o M.V. Ithaca wreck
- o Churchill Town Centre
- o Local shops like the Arctic Trading Company

Another important component of the Churchill tourism industry is the number of tour packages that offer Churchill as a destination.

The main tourist seasons are as follows:

Late May - June (spring)	Bird watching is best during the spring migration and nesting periods.
Late June - Early September (summer)	Whale watching requires open water and safe conditions for boating.
September - Mid-October (fall)	Goose hunting season corresponds with the early fall.
October - Early November (winter)	Polar bears are most visibly evident during these months when they migrate to the coastal areas to await freeze-up of the pack ice on the Bay.

4. MAJOR TRANSPORTATION SYSTEM COMPONENTS

The existing transportation infrastructure in Churchill and the surrounding area is comprised of the following major components:

- o air transport (commercial and private);
- o rail transport; and
- o water transport (ocean going vessels, coastal vessels, small craft)

Local overland transportation modes (i.e. car, bus etc.) are discussed in the more detailed Tourism and Transportation Plan report.

Air and rail transport are the two methods generally used to travel to Churchill and the immediate area. Ocean going and coastal vessels also provide water access but these are rarely, if ever, used by visitors travelling for pleasure, or visiting friends and relatives.

A) Air Transport

The operation of the airport at Churchill is the responsibility of Transport Canada.

The airport is situated about five miles east of the townsite. Of the two existing runways, the shorter runway is able to handle Boeing 737 aircraft and the longer runway can accommodate inter-continental flights in case of emergency.

The airport is equipped with a full Instrument Landing System as well as VOR, (VHF omni-directional range), DME (Distance measuring equipment), NDB (Non-directional radio beacon), and VOT (VOR Receiver test facility). In summary, the airport is well equipped to handle any tourist related flight during the airport's 16-hour operational day.

The terminal facility consists of a corner of an old hangar that has been renovated to function as a terminal. The area is too small for existing traffic and has insufficient passenger and baggage handling facilities. There is a proposal for the construction of a new terminal; however, the scheduling of this is uncertain at the current time.

1) Regularly Scheduled Air Services

Two airlines with regularly scheduled service, as well as several charter operations, fly into Churchill:

PWA

- o Operates four flights a week from Winnipeg utilizing Boeing 737's with 122 seats (one stop at Gillam en route to Churchill) during the summer season and three flights during the winter.
- o During the high season, on average it was estimated that PWA carries 35-40 passengers per flight bound for Churchill (0.55 - 0.65 load factor).
- o In the low season this figure is reduced to approximately 15 passengers per flight.
- o PWA carried approximately 7200 passengers to Churchill in 1984.

Calm Air

- o Operates 2 scheduled flights (or 1 scheduled flight and 1 charter) from Thompson to Churchill each week utilizing a Hawker Siddely 748.
- o Services the Keewatin communities out of Churchill with 7-8 flights per week utilizing H.S. 748's (44 passengers) and Twin Otters (19 passengers).

- o Ran 20 charters from Thompson to Churchill in 1985.
- o Carried approximately 2300 passengers to Churchill in 1984.
- o Was awarded a licence to operate to and from Winnipeg (October 1985); have not yet announced operating schedules.

ii) Charter and Private Air Services

Charter services licensed to operate in Churchill include:

- Nunasi Central
- Dymond Lake Air Services
- Calm Air
- P.W.A.

A variety of other charter airlines fly into Churchill from time to time but they are not licensed in Churchill.

There is no charge for private aircraft to land at Churchill so the number of plane landings are not monitored. However, the heaviest volumes of private aircraft traffic occur mostly in the spring (fishermen) and in the fall (hunters). (Source: Personal correspondence with acting Airport Manager).

Four helicopter services fly into Churchill but none are presently used by tourists. The helicopter services are utilized primarily by the hydro and mining companies. None of the helicopter services are based in Churchill.

iii) Applications for Future Service

N.W.T. Air and Nunasi Central have both made application to the Canadian Transport Commission to provide air service directly from Winnipeg to Churchill and return. The applications are currently under review.

B) Rail Transport

Rail passenger service to Churchill is the responsibility of VIA Rail while cargo is brought into Churchill by C.N. Railway. The C.N. Station, the only rail station, is a large historic building located close to the center of the town. CN is considering demolishing the station and replacing it with suitable trailer units.

Three passenger trips per week are scheduled by VIA Rail from Winnipeg to Churchill. The trip takes 35 hours and numerous stops, including Thompson and Gillam, are made enroute. The train normally consists of the following:

- o 1 sleeper coach (year round, 24 persons);
- o 2 sleepers (summer only);
- o 1 cafe coach (72 persons); and
- o 1 cafe lounge (32 persons).

The total number of passengers travelling to Churchill by rail was 7300 in 1984. VIA Rail management indicated that, if required by increased demand, additional passenger cars could be put into service on the Winnipeg-Churchill route.

C) Water Transport

The Port of Churchill is operated by Ports Canada. The port has 5 berths for ocean going vessels (32 ft. minimum depth) and 1 berth for coastal vessels (20 ft. minimum depth). The port is used primarily for grain exporting to Europe.

The Port also handles a large part of the resupply to the Keewatin communities excluding Repulse Bay. Fuel, consumer products and building materials are all brought into Churchill by rail and then transferred to barges or coastal supply vessels for the trip into each of the Keewatin Inuit communities. The Port of Churchill also provides support and resupply services for some of the exploration and drilling activities in Hudson Bay.

Small boats currently have no docking facility. Therefore, boat tours have to leave just before high tide which only occurs twice every 24 hours. The flow in the Churchill River has been greatly reduced due to the diversion to the Nelson River Hydro Project. This has reduced the low flows in the river to approximately 10% of the previous low flow. As a result, boating on the Churchill River is very limited.

D) Summary of Opportunities and Constraints

The following section provides a point form summary of the major opportunities and constraints associated with the existing tourism transportation system.

Constraints

- o The cost per passenger to travel to Churchill from Winnipeg is relatively high.
- o Current rail services provided by VIA Rail have several constraints which hinder the number of users and sometimes make travel by current users less than convenient or pleasurable.
- o Although not a major constraint, the limited number of weekly flights with PWA to and from Churchill can be a constraint on the flexibility of the tour itineraries of individuals and groups of travellers alike.
- o For charter operations in Churchill, a customer has a choice of three carriers, each providing a different aircraft size. Once the customer decides on the most appropriate aircraft size, there is only one choice of carriers without having to pay a positioning fee,¹⁾ unless his trip is to or from Winnipeg where several other charter carriers are licensed. (This situation is created by the repositioning charges for non licensed carriers.)

1) This is a fee a charter operator must pay if the charter flight is operating from an airport that is not the charter operator's licensed base.

- o The lack of a proper small craft docking facility on both sides of the river is a major hindrance to boat tour operations.
- o The present airport terminal is subject to severe congestion during peak times.

Opportunities

- o Part of Churchill's attraction for tourism is due to its remote location. From a transportation perspective however, Churchill has relatively good connections by plane and rail to the south as well as other more remote northern areas.
- o The present airport facilities are capable of handling any type of tourist flight, disregarding the congestion problems in the air terminal building.
- o Transportation services in Churchill are relatively well developed to handle tourist visitation. Local transportation service operators for the most part have been in business for a number of years and are quite experienced.
- o The road system in town is well developed and of good quality considering the fact that Churchill is a remote northern community.
- o Ports Canada's presence in Churchill ensures that water related activities such as boat tours are properly licensed and well regulated.
- o The old CN train station provides the community with some historical character and provides an enhanced first impression of the community to arriving train passengers.
- o The unique nature of Churchill's tundra vehicle operations provides a major tourist attraction.

- o The possibilities for multi-mode access to Churchill (ie. bus/train, train/plane, etc.) provides an ideal situation for developing general interest package tours.

5. ECONOMIC IMPACTS

The impacts of visitors (for both tourists and business travellers) on Churchill's economy were estimated for 1985 and projections of the expected economic impacts of increased tourism were prepared for the years 1990 and 1995.

Economic impacts were defined in terms of:

- o Employment
- o Wages and salaries
- o Business income
- o Local taxes

Both direct and indirect impacts were estimated. Direct impacts are those that result directly from the visitors spending in Churchill in addition to those that result from activities directly generated by the visitors, such as air transportation services. Indirect impacts are those that result from the visitor-related business respending some of the visitors' dollars on local services that are not directly used by the visitors but that service or supply those business that cater to the visitors.

In addition to direct and indirect impacts the so-called induced impacts of visitor activities were also estimated, but only in terms of additional jobs. These jobs are created by the residents of Churchill (as opposed to businesses) respending their wages and salaries, directly related to visitor activities, on locally produced goods and services.

Our survey of visitor spending indicated that the average tourist spent \$300.00 per person in Churchill during his/her stay in 1985. The average business traveller spent \$310.00. This amounted to a total inflow of approximately \$3.7 million. Of that amount \$2.1 million stayed in Churchill, the rest was respent by Churchill businesses on imported goods and services.



In addition, the federal airport and the air carrier operators at the airport spent another \$1.6 million that stayed in Churchill. This expenditure can be attributed to the visitors who travelled by air.

The direct and indirect impact resulting from these spendings by or on behalf of the visitors in 1985 were:

- o 177 jobs
- o \$3.12 million received by Churchill residents in wages
- o \$0.44 million retained as net business income
- o \$0.17 million in local taxes

In addition, 75 jobs were created by the respending of the \$3.12 million in wages and \$0.44 million in net business income by the primary recipients of those incomes on locally produced goods and services. Thus the total present employment impact of visitors to Churchill was estimated as 252 jobs or 36 percent of Churchill's total employment.

For 1990 and 1995 the following impacts were projected for additional tourists.

- o \$224-243 per tourist, depending on the year and development scenario.
- o 11-12 jobs per 1 000 tourists/year, excluding induced impacts
- o 16-17 jobs including induced impacts.

6. VISITOR PROJECTIONS

An analysis of existing visitation was undertaken, both through a statistical review and through a qualitative analysis (discussions with tour operators and wholesalers). Additional information, albeit limited, was also available from past visitor surveys (1982) and a visitor survey which was undertaken as part of this study (1985). Both of these surveys are discussed in some detail in the full report.

From an analysis and projection (by means of a simple computer projection model) of these types of information, it is possible to determine the following for both the current situation and for a number of potential future growth scenarios:

- o the potential effect of transportation constraints;
- o the importance of the changing demographics of society;
- o the influence of special promotions;
- o the importance of package tours; and
- o the importance of general continental trends in recreation and tourism.

A) Total Passengers to Churchill Number About 17 500

Current data reveals that in 1984¹⁾ a total of 17 500 passengers arrived in Churchill. Of these passengers, 58% arrived via air travel with the balance using rail transport. Table 1 outlines passenger trips and visitor trips to Churchill by mode of transportation and carrier type.

TABLE 1
TOTAL TRAVEL TO CHURCHILL (1984)²⁾

	Total Passengers	Churchill³⁾ Residents	Visitors to Churchill
Air			
Pacific Western	7 200	2 200	5 000
Calm Air	2 300	500	1 800
Nunasi	200	-	200
Other Charter	<u>500</u>	<u>-</u>	<u>500</u>
Subtotal Air	10 200	2 700	7 500
Rail			
VIA	<u>7 300</u>	<u>900</u>	<u>6 400</u>
TOTAL	17 500	3 600	13 900

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- 1) As this study was initiated prior to the summer of 1985, 1984 data was the most current data to work from.
 - 2) Estimates were provided by contacting the various carriers based on their evaluation of seasonal loadings and tour sales.
 - 3) Churchill Resident assumptions are documented in the full report.

B) Total Visitation to Churchill is 13,900

Of the 13 900 visitors to Churchill, 54% arrive via air and 46% via rail transport. Visitors are thus more prone to use train transportation into Churchill than residents (46% versus 27%). Total visitation to Churchill is broken down by visitor type in Table 2. It should be recognized that these numbers are estimates only and are based on certain assumptions as documented in Appendix I of the full report. The assumptions were used because of difficulties acquiring accurate research information, (i.e. length of stay for business travellers and tourists, the average number of persons per room etc.).

TABLE 2
TOTAL VISITATION TO CHURCHILL

Business ¹⁾	3 100
Tourists ²⁾	7 500
VFR ³⁾	400
Other visitors ⁴⁾	1 650
Pass through ⁵⁾	1 250
 Total Visitation	 13 900

Footnotes (The calculations for these numbers are found in Appendix 1, Part I of the full report.)

- 1) Total overnight business travel staying at hotels/motels.
- 2) Total overnight tourist visitors staying at hotels/motels.
- 3) Visitors staying with friends and relatives.
- 4) Visitors staying at other accommodations (i.e. hunting camps, Churchill Northern Studies Centre, Ports Canada Trailers, Government Staff Houses, etc.).
- 5) Visitors arriving and departing Churchill the same day (tourists and business travellers).

For derivations of these numbers, please refer to Appendix I in the full report.

C) Total Overnight Visitation is 12 650

Overnight visitation to Churchill is derived by subtracting the pass through traffic (1 250) from the total visitation (13 900) to arrive at 12 650 overnight visitors. The total overnight visitation was broken down into 3 main categories.

- o Visitation staying at hotels/motels
- o Visitation staying with friends and relatives
- o Visitors at other accommodation

TABLE 3
TOTAL OVERNIGHT VISITATION TO CHURCHILL

		Totals
1)	Visitors Staying at Hotels	10 600
	Business	3 100
	Package visitors	2 000
	General visitors	5 500
2)	Visitors staying with friends and relatives	400
3)	Visitors staying at other accommodation	1 650 ¹⁾
	Business	1 350 ²⁾
	Tourists	300
	TOTAL OVERNIGHT VISITATION	12 650

For source, see Appendix 1 in the full report.

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- 1) Based on assumption that 300 are tourists and the balance is business.
 - 2) This business category would include students, Ports Canada workers, individuals on personal business, government employees, etc. (Appendix 2 provides an indication of where these travellers stayed based on the 1985 survey questionnaire).



The visitor types were distributed by mode of transportation as follows:

TABLE 4
DISTRIBUTION OF OVERNIGHT VISITORS TO CHURCHILL
BY MODE OF TRANSPORT

	Air	Rail	Total
Package	1 200	800	2 000
VFR	160	240	400
General	2 135	3 665	5 800
Business ¹⁾	2 355	745	3 100
Business ²⁾	<u>1 025</u>	<u>325</u>	<u>1 350</u>
Total	6 825	5 775	12 650

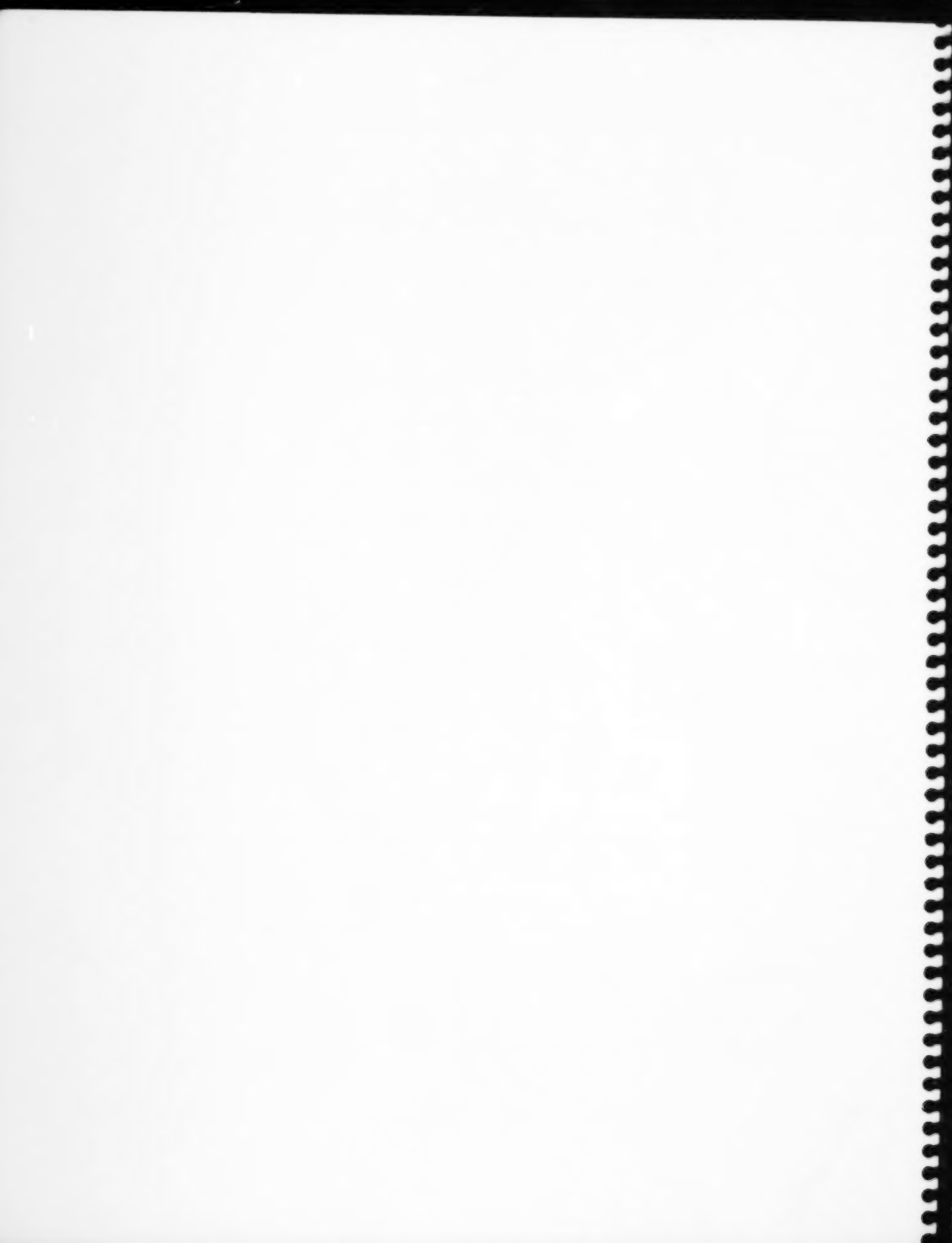
D) Projected Visitation to Churchill

The following projections were based on full development of the local tourism industry (i.e., implementation of all initiatives identified to overcome industry weaknesses/deficiencies) along with an effective coordinated marketing design.

Based upon our analysis of a variety of market information sources and assumptions as detailed in the full report, we project that the total number of visitors to Churchill will increase by as much as 32% by 1990 and over 54% by 1995. (Refer to Table 5.) In making these projections it has been assumed that the necessary transportation and tourism services and facilities as well as marketing programs are in place first. The actual transportation initiatives which need to be implemented are documented in Chapter 5 and a marketing program is discussed in section 6.4 of the full report.

TABLE 5.

	BASE SCENARIO				ACTIVE PROMOTION							
	84	85	86	87	88	89	90	91	92	93	94	95
----- AIR TRAVEL -----												
Business (1)	2,355	2,355	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766	1,766
Business (2)	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025	1,025
VFR	160	160	160	160	160	160	160	160	160	160	160	160
Existing Packages	1,200	1,200	1,560	1,920	1,997	2,077	2,160	2,246	2,336	2,429	2,527	2,629
Keewatin Packages						300	600	900	1,200	1,500	1,800	1,500
Moosonee Packages				375	825	1,500	1,500	1,500	1,500	1,500	1,500	1,500
General	2,135	2,199	2,265	2,333	2,403	2,475	2,549	2,626	2,705	2,786	2,869	2,955
Sub-total	6,875	6,939	6,776	7,579	8,176	9,303	9,760	10,223	10,692	11,166	11,747	11,574
----- RAIL TRAVEL -----												
Business (1)	745	745	559	559	559	559	559	559	559	559	559	559
Business (2)	325	325	325	325	325	325	325	325	325	325	325	325
VFR	240	240	240	240	240	240	240	240	240	240	240	240
Package	800	800	1,040	1,280	1,331	1,384	1,440	1,497	1,557	1,620	1,684	1,752
General	3,665	3,775	3,888	4,005	4,125	4,249	4,376	4,507	4,643	4,782	4,925	5,072
Sub-total	5,775	5,885	6,052	6,409	6,580	6,757	6,940	7,129	7,324	7,525	7,724	7,940
----- TOTAL VISITORS -----												
	12,650	12,824	12,828	13,988	14,756	16,060	16,700	17,352	18,016	18,692	19,471	19,514



The visitor projections take into account potential expansion of existing tourism activity in the Churchill area as well as joint tour package development with Moosonee/Moose Factory and the Keewatin Region. Churchill is in an excellent position to capitalize on the tourism development initiatives being undertaken in the Keewatin because of the strategic "gateway" location. Through the established tourism destination, Moosonee/Moose Factory, Churchill can gain access to the southern Ontario market as well as the northeastern U.S (primarily motorcoach packages).

As illustrated on Table 5 total overnight visitation to Churchill could increase to 16 700 people by 1990 and 19 483 by 1995. Most of this increase will be in package tours which are projected to increase by 370% between 1984 and 1995.

From the point of view of modal travel, between 1984 and 1995, visitor travel is expected to increase 68% by air and 38% by rail.

7. RECOMMENDED TRANSPORTATION AND TOURISM INITIATIVES

The following section provides a summary of the final transportation and tourism initiatives and their resultant incremental economic benefits where appropriate. The analysis as detailed in the full report was not meant to be a comprehensive cost /benefit analysis. A detailed cost/benefit analysis would require further detailed feasibility assessment in some instances and consideration of other factors such as opportunity to generate foreign tourism revenues, generation of job opportunities and available funding opportunities, etc. However strictly on the basis of economic impact assessment and ability to generate increased tourism visitation, we have identified the following list of transportation and tourism initiative recommendations.

It is felt that the following initiatives need to be implemented on a prioritized basis to successfully expand Churchill's tourism industry.

This section is divided under four main headings.

- o Major Transportation Initiatives
- o Private Sector Transportation Initiatives
- o Secondary Transportation Initiatives
- o Tourism Initiatives

MAJOR TRANSPORTATION INITIATIVES

The following public sector initiatives are felt to be critical to the successful expansion of Churchill's tourism industry.

VIA Rail

- o A third sleeper car should be added to the consist in July and August and the time frame for the second sleeper car should be extended through October. Although our analysis suggests that this can only be achieved on a break-even basis at best, failure to implement the initiative, assuming no transportation mode substitution, will result in a loss of \$141 570.00 in economic benefits to the community by 1995.
- o The existing cafe/lounge car should be replaced with a diner-lounge car which can seat 32 people at once. This initiative can be accomplished at no additional cost to VIA Rail while providing the benefit of accommodating projected needs to 1995.
- o The current reservation system needs upgrading to a level of service allowing for prebooking 8-12 months in advance to accommodate tour wholesaler needs. (VIA Rail indicated that this would occur with the addition of a third sleeper car to the consist).

Small Craft Docking Facilities

- o It is evident that a proper tour boat docking facility on both sides of the river will be required to accommodate existing and future tour boat traffic at all times of the day. If implemented, it is estimated this initiative will lead to close to a 100% increase in the gross revenues for the local boat tour

operators by 1990. If the docks are not constructed, the loss in economic benefit to the community is estimated to be approximately \$251 559.00 by 1990. In addition to the loss in economic benefits, not building the docks could lead to serious safety problems and potential liability insurance claims.

- o In concert with the preceding initiative, both the Parks Canada docking facility and the proposed docking facility on the town side should make spatial allowance for larger tour boats in the event that one or both of the existing operators (or a new operator) purchases/constructs a boat to accommodate an entire bus tour (i.e., 44 people).

Airport Terminal

- o The airport terminal in Churchill does not meet Transport Canada standards. Consistent with Transport Canada's plans, it is recommended that a new airport terminal building be constructed in Churchill as soon as possible.

PRIVATE SECTOR TRANSPORTATION INITIATIVES

The majority of these initiatives are, or will be private sector and market driven; that is, if the demand exists, all other factors being equal, the private sector will appropriately respond. Notwithstanding, for consistency sake, we have generally quantified the economic impact of not responding to select candidate initiatives.

Airlines

- o Airlines providing service between Winnipeg and Churchill will have to expand services to accommodate projected growth by 1990. (Projections are for an additional 55 visitors/week during the tourism season by 1990 and an additional 128 by 1995).

During the tourist season (June - October) an additional 3 474 visitors will travel to Churchill by air in 1990. In 1995 this figure will increase to 5 248. These figures represent a total increase in direct and indirect impact in Churchill of \$844 182.00 in 1990 and \$1 270 016.00 in 1995.



- o In order to stimulate travel between Moosonee and Churchill there is a need for at least one charter operator now registered in Churchill and Moosonee to be licensed to operate out of Moosonee and Churchill respectively.

In the longer term, once a steady flow of air travellers and tour packages is established between the two destinations, it is recommended that a scheduled service be initiated from one end or the other.

In 1990 and 1995 it is projected that 1 500 tourists/year will travel to Churchill from Moosonee representing a potential economic impact of \$363 000 in 1995.

Boat Tours

- o To properly serve the needs of the growing package tour market one or both of the boat tour operators should consider the possibility of purchasing/constructing a boat large enough to accommodate full bus tours (i.e. 44 people).

Tundra Tours

- o The polar bear watching services should be expanded at a reasonable rate of development to match demand. A reasonable rate could be considered as not more than one new tundra vehicle every two to three years in order that additional impact can be closely monitored.

If we assume each new tundra buggy accommodates 28 people and 10 tours can be run throughout the polar bear season, operating at 70% capacity each new tundra buggy would represent an economic impact of approximately \$48 608 in 1990.

- o The local tourist operators in conjunction with the Tourism Committee and representation from the Manitoba Department of Natural Resources should attempt to define the carrying capacity for wildlife viewing in the Churchill area in terms of the potential impact on the tourist's experience.



Vehicle Rentals

- o Local car and van rental agencies should begin to upgrade their van and truck rental fleets to better accommodate the bird watching market. The preferred choice of bird watching groups appears to be window vans and small school buses.

SECONDARY TRANSPORTATION INITIATIVES

The direct and indirect impacts on the Churchill tourism industry from the following initiatives are not as obvious or significant. However, it is felt that they would help to enhance the tourism industry.

York Factory

- o The feasibility for constructing a proper airstrip at York Factory should be undertaken in conjunction with a comprehensive tourism development and marketing strategy for the York Factory area as a destination in itself and in connection with other destinations like Churchill and Moosonee.

Local Road System

- o A long term plan for upgrading (surface treatment) local gravel roads (ie. the Goose Creek Road) should be developed by the municipality. This would help to better accommodate local sightseeing and bird watching groups and tours.

Train Station

- o It is felt that if at all possible the existing station should be retained to satisfy passenger/reception functions. If costs of operating such a large building for so few uses is a problem, it may be possible to attract other commercial uses on a concession basis (ie. coffee shop, pub, craft shop, etc.).

However, if the preservation of the existing train station proves too costly then it is essential that some type of facility providing shelter and luggage services be provided for incoming and departing train passengers.

TOURISM INITIATIVES

Although the focus of this assignment was on identifying transportation initiatives to help enhance and expand the tourism industry, we have also identified below two major tourism initiatives that would have to be undertaken in concert with the aforementioned transportation initiatives.

Marketing

- o An autonomous body representing the local tourism operators should be formed with a responsibility for planning, development and marketing of the local tourism industry. In concert with this group, a full marketing plan should be developed. Failure to implement a coordinated marketing plan would seriously constrain future tourism development. It is estimated that without a proper marketing program the community would potentially lose out on \$1 248 962.00 in economic benefits by 1995.

Hotel Accommodation

- o It is evident from our analysis and visitor projections that there will be demand for additional seasonal accommodation by 1990 and a further demand by 1995. This accommodation may take any number of forms (i.e., hotel, remote naturalist lodge, guest houses, etc.) depending on the visitor characteristics at the time. Failure to expand accommodation facilities could seriously constrain future tourism development and result in an estimated loss of \$1 841 136.00 in economic benefits by 1995.



Recommended Organizational Structure

It is recommended that the existing Churchill Tourism Committee constitution be modified to include responsibility and capability for planning, development and marketing of the local tourism industry.

This will require a number of changes, the most important being the provision of proper funding to provide the Committee with the necessary initiative and financial resources to undertake planning, development and marketing activities. The sources of these funds should be from the municipality, funding assistance from LEAD or Canadian Job Strategy, cost-shared programs, membership fees, wholesaler commissions (for tour packaging) and profit oriented programs.

The actual operating structure of the Committee will necessarily need to be investigated in further detail than that permitted in this study.

8. THE WAY AHEAD

The Churchill Tourism and Transportation Plan has been prepared for Transport Canada and the Department of Highways to provide direction on transportation initiatives which need to be put in place to help facilitate the promotion and expansion of the tourism industry in Churchill over the next 10 years. However, the final product is more than just a transportation plan.

The success of the identified transportation initiatives will be closely inter-related with:

1. the proper development of tourism facilities and services;
2. a suitable organizational structure representing the Churchill tourism industry being put in place;
3. the implementation of a co-ordinated and consistent marketing program; and
4. access to necessary funding resources to implement the identified tourism and transportation developments.



Each of these elements is detailed in the plan.

The overall tourism and transportation plan is intended to provide direction for the orderly development and expansion of the Churchill tourism industry.

The study identifies the potential for expanding the existing tourism industry in Churchill as well as opportunities for diversifying and enhancing the Churchill product through joint packaging with adjacent tourism destinations. Churchill is situated in a strategic location with regard to the established tourist destination of Moosonee/Moose Factory and the emerging destination to the north in the Keewatin Region. With complementary resources and strategic travel connections Churchill can capitalize on existing and future tourist visitation to both these regions.

In undertaking this study, Transport Canada in conjunction with the Department of Highways have correctly identified the critical relationship between future tourism development in Churchill and the transportation network. Having the proper transportation facilities, services and connections is especially important in the more remote northern regions of Canada.

Proper development and control over the transportation system will be vital to the successful expansion of Churchill's tourism industry.